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COMMITTEES:

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March 7, 2006

The Honorable Judd Gregg
Chairman
Committee on the Budget
United States Senate
Washington, D.C. 20510

Dear Chairman Gregg:

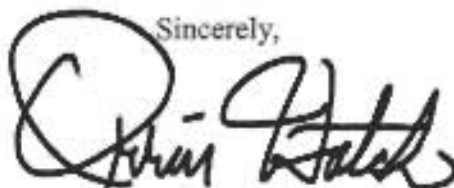
Since the release of the President's Fiscal Year (FY) 2007 budget proposal on February 6, 2006, I have heard from many of my constituents expressing concern about the future of the Community Development Block Grant (CDBG) program administered by the Department of Housing and Urban Development (HUD).

The CDBG program helps state and local jurisdictions tackle their most serious community development challenges, including public works and infrastructure, decent affordable housing, public services, and economic development. Thousands of local governments, counties, cities, towns, and communities are served by the CDBG program each year.

As you are aware, the President's FY 2007 budget proposes to cut funding for the CDBG program by nearly \$1 billion, or 25 percent. While I support the President's efforts to rein in the budget deficit, I don't believe we should balance the budget on the backs of local communities. Utah's communities rely on CDBG funding to help revitalize their neighborhoods, and these cuts will severely impact the very communities that need the funding the most. In FY 2005, Utah received more than \$22 million in CDBG funding, and that made a real difference in the lives of many low- and moderate-income Utahns.

I believe that the CDBG is one of the most effective Federal domestic programs to revitalize neighborhoods with proven results, and I request the Budget Committee to fund the CDBG program to the fullest extent possible under the current budgetary constraints.

Sincerely,



Orrin G. Hatch
United States Senator

OGH:mss